



JIM JONES
Acting Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue
Los Angeles, California 90063

"To enrich lives through effective and caring service"

Telephone: (323) 267-2103
FAX: (323) 264-7135

October 15, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**ORDINANCE ESTABLISHING A DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE
PROGRAM
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Approval of an ordinance establishing Chapter 2.211 to Title 2 – Administration of the County Code, Disabled Veteran Business Enterprise Preference Program.

IT IS RECOMMENDED THAT THE BOARD:

Approve an ordinance establishing Chapter 2.211 to Title 2 – Administration of the County Code, Disabled Veteran Business Enterprise Preference Program.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On August 20, 2013, your Board directed the Internal Services Department (ISD) to work with County Counsel to prepare an ordinance ("Ordinance") amending the County Code, Title 2 – Administration, to establish a Disabled Veteran Business Enterprise (DVBE) Preference Program that provides for a purchasing and contracting bid preference to veterans with service-connected disabilities.

The proposed Ordinance (attached) establishes a DVBE Preference Program ("DVBE Program") that is consistent with other preference programs established by the Board, including the Local Small Business Enterprise (LSBE), and Transitional Job Opportunities Preference (TJOP) programs.

These programs are designed to promote inclusiveness and economic development to ensure that all businesses are provided equal opportunities in the County's purchasing and contracting activities.

Consistent with the other County preference programs, the proposed DVBE Program provides for an eight percent (8%) price or scoring preference to bids and proposals from qualified DVBEs. A qualified business is one that has been certified as a DVBE by the State of California or the Veteran's Administration at the time of bid or proposal submittal.

The DVBE Program exclusions are also consistent with the other County preference programs. The DVBE Program excludes any contract or purchase for which a federal, State or local law prohibits or limits a DVBE preference. Furthermore, as a DVBE may also be certified LSBE or TJOP, the Ordinance restricts any preference amount to a maximum of eight percent (8%).

If approved by your Board, the proposed Ordinance will be implemented in countywide solicitations released on or after December 1, 2013. This will provide ISD sufficient time to update the website and provide implementation instructions to County departments, and communicate the DVBE Program to the business community, including potential DVBE vendors.

Implementation of Strategic Plan Goals

Approval of the proposed addition to the County Code will further the County's Strategic Plan Goal of Organizational Effectiveness by ensuring that service delivery systems are efficient, effective and goal-oriented.

FISCAL IMPACT/FINANCING

There is no historical or financial information available for DVBEs that are currently doing business with the County. However, State records indicate that there are 125 such businesses that are located in Los Angeles County.

ISD believes that establishing a preference would generate DVBE participation, and the preference amount would result in awards to DVBEs. However, given the limited number of DVBEs identified in the region, ISD estimates that the overall increase in countywide costs would be marginal. No cost is incurred when a DVBE is the low bidder.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed Ordinance has been approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed Ordinance will enhance existing contracting and purchasing policies and procedures while providing the appropriate guidance and direction necessary to reach decisions that are consistent with your Board's direction.

The Honorable Board of Supervisors

10/15/2013

Page 3

Respectfully submitted,

A handwritten signature in cursive script that reads "JE Jones". The signature is written in dark ink on a light background.

JIM JONES

Acting Director

JJ:JS:j

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Small Business Commission



COUNTY OF LOS ANGELES
OFFICE OF THE COUNTY COUNSEL

648 KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET
LOS ANGELES, CALIFORNIA 90012-2713

TELEPHONE
(213) 974-7973
FACSIMILE
(213) 633-1915
TDD
(213) 633-0901

JOHN F. KRATTLI
County Counsel

September 24, 2013

Mr. Jim Jones, Acting Director
Internal Services Department
1100 N. Eastern Avenue
Los Angeles, California 90063

**Re: Ordinance Amending Title 2 – Administration of the
Los Angeles County Code To Add a Disabled Veteran Business
Enterprise Preference Program**

Dear Mr. Jones:


As directed by Board motion of August 20, 2013, we have prepared the above-referenced ordinance amending Title 2 of the County Code, to add Chapter 2.211 to establish a Disabled Veteran Business Enterprise Preference Program, to enhance contracting and purchasing opportunities for disabled veterans within the County of Los Angeles.

The enclosed analysis and ordinance may be presented to the Board of Supervisors for its consideration.


Very truly yours,

JOHN F. KRATTLI
County Counsel

By


PATRICE J. SALSEDA
Senior Deputy County Counsel
Contracts Division

APPROVED AND RELEASED:


RICHARD D. WEISS
Chief Deputy County Counsel

PJS:ghh
Enclosures


ANALYSIS

This ordinance adds Chapter 2.211 to Title 2 – Administration of the County Code to establish a Disabled Veteran Business Enterprise Preference Program. The purpose of the program is to enhance contracting and purchasing opportunities for disabled veterans within the County of Los Angeles.

In addition, the Chapter establishes procedures to monitor compliance and provides penalties for improper certification.

Very truly yours,

JOHN F. KRATTLI
County Counsel

By 
PATRICE J. SALSEDA
Senior Deputy County Counsel
Contracts Division

PJS:gjh

08/22/13 Requested
09/23/13 Revised

ORDINANCE NO. _____

An ordinance adding Chapter 2.211 to Title 2 - Administration of the Los Angeles County Code to establish a Disabled Veteran Business Enterprise Preference Program that provides a purchasing and contracting bid preference to veterans with service connected disabilities.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 2.211 is hereby added to Title 2 – Administration of the Los Angeles County Code to read as follows:

Chapter 2.211

DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE PROGRAM

Sections:

2.211.010 Introduction.

2.211.020 Purpose.

2.211.030 Definitions.

2.211.040 Administration.

2.211.050 Certification.

2.211.060 Responsibilities and standards.

2.211.070 Exclusions.

2.211.080 Violations and Sanctions.

2.211.090 Review of eligibility of disabled veteran business enterprise certification.

2.211.100 Applicability.

2.211.010 Introduction.

The Board of Supervisors finds that it is of benefit to the County of Los Angeles to promote and facilitate the fullest possible participation by all citizens in the affairs of the County. It is also essential that opportunities be provided for full participation in our free enterprise system for disabled veterans. Further, it is the policy of the Board that the County should aid and assist, to the maximum extent possible, the interests of disabled veterans in order to preserve free competitive enterprise and to ensure that a fair proportion of the total purchases and contracts or subcontracts for purchase of goods or services for the County be placed with disabled veteran business enterprises.

2.211.020 Purpose.

The County of Los Angeles Disabled Veteran Business Enterprise Preference Program is a race and gender-neutral program designed to enhance purchasing and contracting opportunities for disabled veterans within the County of Los Angeles. The program priorities were developed to promote and foster inclusiveness and economic development, as well as ongoing evaluation to assure all businesses, including disabled veteran business enterprises, are provided equal opportunities in County purchasing and contracting activities.

2.211.030 Definitions.

For the purpose of this chapter, the following words and phrases are defined and shall be construed as having the following meanings:

A. "County" shall mean the County of Los Angeles, or any public entities for which the Board of Supervisors is the governing body;

B. "Department" shall mean the County department, entity, or organization responsible for the solicitation; and

C. "Disabled Veteran Business Enterprise" shall mean:

1. A business which is certified by the State of California as a disabled veteran business enterprise; or
2. A business which is verified as a service-disabled veteran-owned small business by the Veterans Administration.

D. "Solicitation" shall mean the County's process to obtain bids or proposals for the purchase of goods and services.

2.211.040 Administration.

The Internal Services Department ("ISD") with the assistance of County Counsel, shall issue interpretations of the provisions of this Chapter, and ISD shall issue written instructions on the implementation and ongoing administration of this Chapter. Such instructions may provide for the delegation of functions to other departments.

2.211.050 Certification.

Each department conducting a solicitation is responsible for verifying that a contractor is a disabled veteran business enterprise as defined in this chapter.

2.211.060 Responsibilities and standards.

A. In order to facilitate the participation of disabled veteran business enterprises in County purchases of goods and services, departments shall provide for disabled veteran business enterprise preferences in their solicitations.

B. In order for a disabled veteran business enterprise to be eligible to claim the preferences, the business must request the preference in the solicitation response.

C. In solicitations where an award is to be made to the lowest responsible bidder meeting specifications, subject to subsections E and F, below, the preference to a disabled veteran business enterprise shall be eight percent (8%) of the lowest responsible bid meeting specifications, determined according to the implementation instructions issued by ISD.

D. In solicitations where an award is to be made to the highest scored proposer based on evaluation factors in addition to price, subject to subsections E and F, below, the preference to the disabled veteran business enterprise shall be eight percent (8%) of the cost/price component of the evaluation method, determined according to the implementation instructions issued by ISD.

E. The disabled veteran business enterprise preference under subsections C and D, above, shall not exceed fifty thousand dollars (\$50,000) for any one solicitation and award determination.

F. In no case shall the disabled veteran business enterprise preference program price, or scoring preference be combined with any other County preference

program to exceed eight percent (8%) of the lowest responsible bid meeting specifications.

2.211.070 Exclusions.

The disabled veteran business enterprise preference shall not be given for the following County purchases:

- A. National contracts established for the purchase of equipment and supplies for and by the National Association of Counties, U.S. Communities Government Purchasing Alliance, or any similar or related group purchasing organization;
- B. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal manual, section 4.40 or a successor provision;
- C. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy Manual, section P-2810 or a successor provision;
- D. A non-agreement purchase with a value of less than five thousand dollars (\$5,000) pursuant to the Los Angeles County Purchasing Policy Manual, section A-0300 or a successor provision;
- E. A contract, funded in whole or in part by the federal government, to the extent of any conflict between the requirements imposed by the federal government, including those relating to participation in a contract by a minority or women business enterprise, as a condition of the receipt of the federal funds; and
- F. A contract for which federal, state, or local laws limit or prohibit application of a disabled veteran business enterprise preference.

2.211.080 Violations and Sanctions.

A. The information furnished by each solicitation respondent requesting a disabled veteran business enterprise preference shall be under penalty of perjury.

B. No person or business shall knowingly and with intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a disabled veteran business enterprise for the purpose of this Chapter.

C. No person or business shall willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a disabled veteran business enterprise.

D. A business which has obtained County certification as a disabled veteran business enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded a contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's cost would have been if the contract had been properly awarded;
2. In addition to paying the amount described in subdivision 1 of subsection D, of this section, be assessed a penalty in an amount

of not more than ten percent (10%) of the amount of the contract involved; and

3. Be subject to the provisions of Chapter 2.202 of the County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

E. The above penalties shall also apply to any business that has previously obtained proper certification, however, as result of a change in their status would no longer be eligible for certification, and fails to notify the state and County of this information prior to responding to a solicitation or accepting a contract award.

2.211.090 Review of eligibility of disabled veteran business enterprise certification.

ISD will investigate any complaint of eligibility received by the County concerning the Disabled Veteran Business Enterprise Preference Program.

2.211.100 Applicability.

This Chapter shall apply to all solicitations issued ninety (90) days after the effective date of the ordinance codified in this chapter.

[2211PSCC]